December 11, 2017

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Ex Officio Jody L. Eaton Dear:

We are writing this letter to make you aware of the significant unfavorable impact that the ID Waiver - Tiered Reimbursement Rates for Supported Community Living (SCL) and Day Habilitation will have on provider **Progress Industries**.

We understand that the Tiered Rates are to be phased in over a period of 18 months. However, the ultimate impact in 18 short months, will be devastating to the financial sustainability of this high performing agency with a very long track record of great outcomes.

**Progress Industries** currently serves approximately 325 people in three counties; Jasper, Polk and Story. In Jasper and Polk, where the services are provided which are impacted by these Tiered Rates, the agency is being asked to provide same services with 80% of the current revenue. This 20% reduction will necessitate some very difficult decisions to the detriment of the agency, our employees and those we serve.

While we are continually looking for opportunities to maximize revenue and minimize costs in support of our vision, we have no line of site to being able to reduce total agency costs by 11% in this short period of time. Frankly, if these rates do not get adjusted, the future of Progress Industries is at risk.

Please support our plea for assistance in any way possible. You may contact **Sandy Ham,** Progress Industries President and CEO if you have questions or need additional information. **Email:** <a href="mailto:sandy.ham@progressindustries.org">sandy.ham@progressindustries.org</a> or phone 319-389-3141.

Sincerely,

The Board of Trustees Progress Industries